

Outcomes-Based Contracting for Accelerate: High-Dosage Tutoring



What is Outcomes-Based Contracting?

Outcomes-based contracting (OBC) is a procurement strategy where a portion of a provider's compensation is contingent on achieving specific, predetermined student outcomes. Instead of paying only for inputs, such as tutoring hours delivered, an OBC connects part of the payment to measurable results, such as student growth or proficiency.

OBC shifts from a focus on inputs to measurable outputs. It requires both the school system and vendor to clearly define and commit to those outcomes.

Note: Information is from the Southern Education Foundation's Outcomes-Based Contracting work.
<https://obc.southerneducation.org>



What is Outcomes-Based Contracting?

An OBC typically includes:

- a base payment for service delivery and implementation,
- outcome-based payments earned when students meet agreed-upon outcomes,
- a rate card that defines the outcomes, metrics, per-student prices, and payment caps.
- shared responsibilities between the system and provider, and
- regular data review to support continuous improvement

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What is Outcomes-Based Contracting?

Typically, OBC contract structure is composed of two parts:

Base Payment
(Typically, <60% of total contract value)

Outcome-Based Payment
(Typically, ~40% of total contract value*)

Outcome-based payment values are capped to ensure contract remains within agreed upon budget.

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What is Outcomes-Based Contracting?

OBC contract structure also includes key provisions that both the school system and the vendor agree to. Examples of these provisions include:

School System

- Schedule accommodates tutoring sessions
- Students are available during scheduled time

Vendor

- Meeting all deliverables
- Students meet growth targets
- Students exceed growth targets

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Benefits for Students and Systems

Focus on Results, Not Inputs: *Tutoring programs are measured by actual gains in student learning, not just hours delivered.*

Higher-Quality Instruction: *Vendors are incentivized to bring their best tutors, materials, and practices to drive growth.*

Continuous Improvement: *Data-driven monitoring ensures providers adjust quickly to meet student needs.*

Student-Centered Resource Alignment: *Resources are prioritized for students requiring the most assistance to narrow achievement gaps*

Sustained Impact: *Ensures public investment translates directly into better literacy and math outcomes*



Benefits for Tutoring Providers

Financial Rewards for Success: Strong performance is tied to higher payments and growth opportunities

Recognition & Credibility: Demonstrated student gains enhance reputation with school systems and states

Competitive Advantage: High-performing vendors are more likely to be selected for future contracts

Collaborative Partnership: Closer alignment with school and state goals creates stronger long-term relationships

Proof of Impact: Data showing positive outcomes supports scaling and funding



OBC Implementation



OBC Implementation

High-level activities, aligned with each step of OBC, necessary to stand-up OBC with selected school systems and external providers:

Step	Example Activities for OBC
1. Create an OBC framework with identified student metrics and school system program goals	<ul style="list-style-type: none">• Vendors confirm participation• School systems confirm participation• Create an OBC design framework with LDOE high dosage tutoring goals• Identify specific student populations and desired outcomes

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OBC Implementation

Step	Example Activities for OBC
2. Construct a pricing strategy	<ul style="list-style-type: none">• Vendors and school system OBC teams to determine a pricing strategy that balances incentives and results• Develop a rate card, displaying outcomes and payments for outcomes
3. Contract qualified providers	<ul style="list-style-type: none">• Vendors and school systems hold contract renegotiations, aligning on outcomes and metrics*• Determine data-sharing requirements between vendors and school systems• Finalize contract terms with vendors and school systems

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OBC Implementation

Step

Example Activities for OBC

4. **Collaborate** to continuously improve student outcomes

- Vendors and school systems **collect and analyze data and feedback** throughout program to ensure student progress ad

***Note:** Information is from the Southern Education Foundation's Outcomes-Based Contracting work.
<https://obc.southerneducation.org>*



Rate Cards



Rate Cards

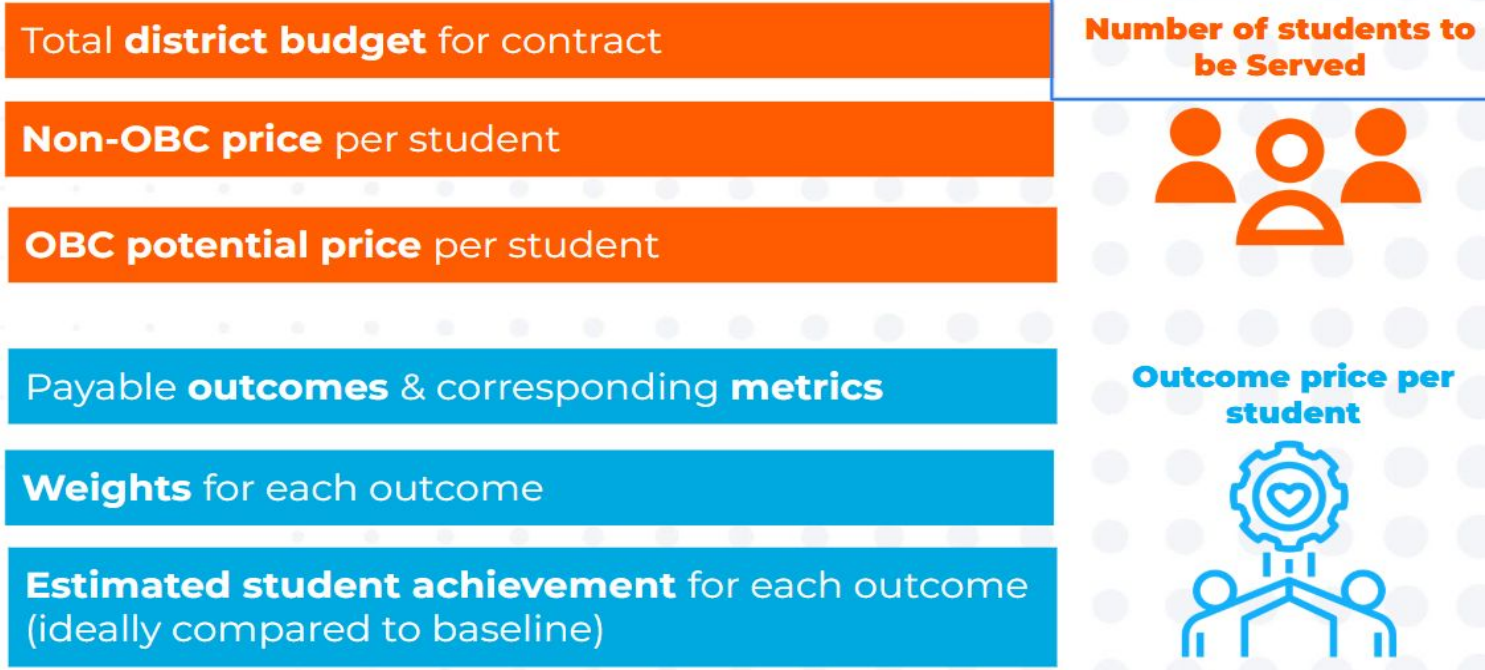
Rate cards define how tutoring services, expectations, and compensation align within an Outcomes-Based Contract (OBC). Developed collaboratively between school systems and providers, they establish clear requirements, outcome measures, and payment structures tied to implementation and student results.

A strong rate card typically outlines:

- Tutoring service expectations (e.g., dosage, frequency, staffing, grade levels served)
- Student outcome measures used to determine performance
- Payment structure, including any compensation tied to outcomes Roles and responsibilities for both the school system and provider
- Reporting and data requirements needed to monitor implementation and impact



Rate Card Inputs



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Rate Card Inputs

Total **district budget**

Non-OBC price per student

OBC potential price per student

**Number of students to
be Served**



Calculation for Number of Students:

Total **district budget** / **OBC potential price** per student = **Number of students** to be served

District Example:

\$507,500 (budget) / **\$1,750** (OBC potential price per student) = **290** (number of students)

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Rate Card Inputs

Payable **outcomes** & corresponding **metrics**

Weights for each outcome

Estimated student achievement for each outcome
(ideally compared to baseline)

Outcome price per student



Calculations for Outputs:

- Total **district budget** X **Weight** for outcome (%) = Outcome **payment cap**
- Outcome **payment cap** / **Estimated student achievement** = **Outcome price** per student

District Example for Mid-Level Growth Outcome:

- **\$507,500** (budget) X **10%** (weight) = **\$50,750** (cap)
- **\$50,750** (cap) / **145** (est. student ach.) = **350** (outcome pps)

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Example Rate Card

Louisiana School District – Example Rate Card					
Students: K-5 students underperforming in Louisiana ELA and Math standards (150 Students)					
Outcomes Rate Card					
Outcome	Metric	Price Per Student	Percentage	Outcome Payment Cap	Notes
Outcome 1: Diagnostics	• Reading diagnostics completed	\$33.33	5%	\$5,000	<i>Outcome is released if student does not attend sessions during assessment</i>
Outcome 2: Tutor Attendance	• Tutor attendance rate 99%	\$33.33	5%	\$5,000	
Outcome 3: Report Completion	• Student weekly academic report completion rate 99%	\$33.33	5%	\$5,000	
Outcome 4: Response Time	• Tutoring provider average support response time <1 business day	\$33.33	5%	\$5,000	
Outcome 5: Academic Growth	• Growth on state assessment (DIBELS K-3 rd , Leap 4 th +))	\$66.67	10%	\$10,000	<i>Outcome is released if student does not attend 85% of sessions or student</i>
Base Payment					
Initial Payment	Paid on services rendered	\$200.00	30%	\$30,000	
Monthly Payment	Paid as services delivered on monthly basis	\$266.67	40%	\$40,000	
Total:		\$666.67	100%	\$100,000	



Example Rate Card

Louisiana School District - *Example Rate Card*

Students: K-5 students underperforming in ELA and Math Standards (150 Students)

Identified student population

Outcomes Rate Card

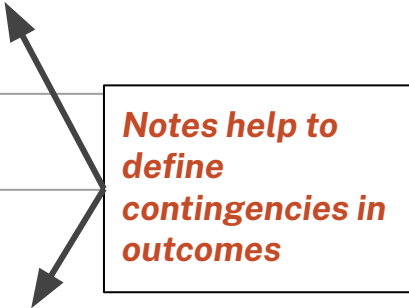
Outcome	Metric	Price Per Student	Percentage	Outcome Payment Cap	Notes
Outcome 1: Diagnostics	Reading Diagnostics completed	\$33.33	5%	\$5,000	<i>Outcome is released if student does not attend sessions during assessment</i>

Pricing is broken down on per student cost, with a total percent and payment cap

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Example Rate Card

Outcome	Metric	Price Per Student	Percentage	Outcome Payment Cap	Notes
Outcome 1: Diagnostics	Reading Diagnostics completed	\$33.33	5%	\$5,000	<i>Outcome is released if student does not attend sessions during assessment</i>
Outcome 2: Tutor Attendance	Tutor attendance rate 99%	\$33.33	5%	\$5,000	 <p>Notes help to define contingencies in outcomes</p>
Outcome 3: Report Completion	Student weekly academic report completion rate 99%	\$33.33	5%	\$5,000	
Outcome 4: Response Time	Tutoring provider average support response time <1 business day	\$33.33	5%	\$5,000	
Outcome 5: Academic Growth	Growth on state assessment (Dibels/Math Screener K-3, LEAP Grades 4+)	\$66.67	10%	\$10,000	<i>Outcome is released if student does not attend 85% of sessions.</i>

All achievement metrics are addressed separately



Example Rate Card

Outcome 4: Response Time	Tutoring provider average support response time <1 business day	\$33.33	5%	\$5,000	
Outcome 5: Academic Growth	Growth on state assessment (Dibels/Math Screener K-3, LEAP 4+)	\$66.67	10%	\$10,000	<i>Outcome is released if student does not attend 85% of sessions.</i>
Base Payment					
Initial Payment	Paid on services rendered	\$200.00	30%	\$30,000	
Monthly Payment	Paid as services delivered on monthly basis	\$266.67	40%	\$40,000	
Total		\$666.67	100%	\$100,000	

Outcome and Base Payments are clearly designated

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Rate Card Calculator

STOP! Have you aligned on a draft set of inputs (number of students, total district budget, non-OBC price (estimated vendor cost) per student, payable outcomes & metrics, weights for each outcome/metric pair, and estimated student achievement for each outcome)? If yes, start using the calculator. If no, [revisit the input decisions](#) prior to jumping in.

Instructions: Below is a sample rate card calculator. It leverages a combined cost-based and budget-based approach and allows districts that have additional budget above the estimated cost of services to reward providers for high-bar outcomes achievement. You can manipulate the cost assumptions, outcomes, weights, and expected outcomes achievement to see how the price per outcome within the rate card and the total price of the rate card changes when you manipulate different variables. **Blue text** indicates numbers you can try adjusting, and black text indicates calculations (key to the right of these instructions). Ultimately, pricing outcomes is an art, not a science. This tool is intended to help you model how different goals and achievement levels lead to different rates of payment. It is not intended to identify the "answer" to how you should price outcomes.

OBC
The Center for
Outcomes Based Contracting
at the Southern Education Foundation

Calculate the number of students to be served by dividing the contracting budget by the price the district is willing to pay per student

SEF requires districts' base Payment to be 60% or less. Changing the weights will impact the outcome caps and rate card prices. Outcomes weights are a value statement. Assign higher weights to the outcomes which are both most influenced by the tutoring intervention and matter most for the District in terms of willingness-to-pay.

The price per outcome achieved for each metric is dependent on the expected percentage of students to achieve each outcome: Price Per Outcome = Outcome Cap / Estimated # of Student Achievement

Rate Card Calculator

Cost & Population Assumptions

Target Population	Insert Target Population Description	
Total District Budget for Contract	\$	-
Non-OBC Price Per Student	\$	-
OBC Average Price Per Student	\$	-
Number of Students to be Served		0

**Given that vendors are taking on more risk, you can build-in "upside" into the rate card by increasing the potential price per student.*

Key

Blue Text	Input cell
Black Text	Calculation

Outcomes and Weights Assumptions

Outcome	Metric	Weight of Budget	Outcome Cap
Outcome 1	Metric 1	0%	\$ -
Outcome 2	Metric 2	0%	-
Outcome 3	Metric 3	0%	\$ -
Outcome 4	Metric 4	0%	\$ -
Outcome 5	Metric 5	0%	\$ -
Base Payment	Paid on Services Delivered		0%
Total		0%	-

Baseline, Estimated Achievement Rates, & Price Per Outcome

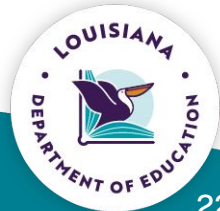
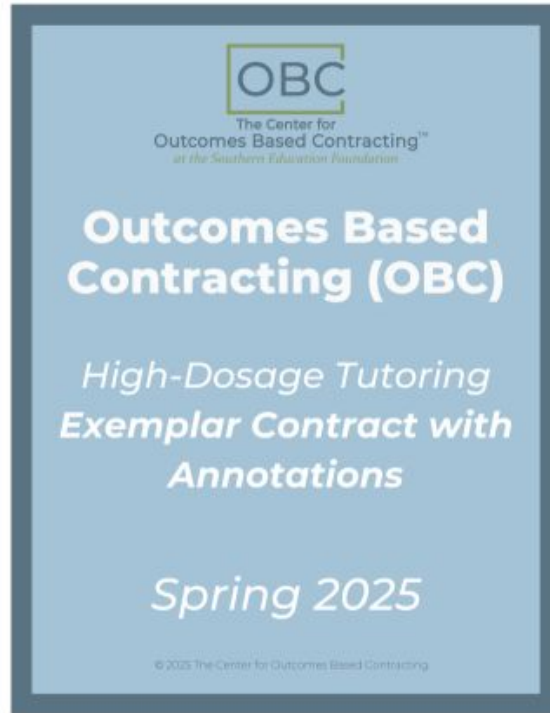
Outcome	Metric	Baseline % of students achieving outcomes	Estimated % of students achieving outcomes	Estimated # of students achieving outcomes	Price Per Outcome
Outcome 1	Metric 1	0%	0%	-	\$ -
Outcome 2	Metric 2	0%	0%	-	\$ -
Outcome 3	Metric 3	0%	0%	-	\$ -
Outcome 4	Metric 4	0%	0%	-	\$ -
Outcome 5	Metric 5	0%	0%	-	\$ -
Base Payment	Paid on Services Delivered		100%	100%	-
					\$ -

**The Estimated % of students to achieve the base payment should be kept at 100%.*

Outcomes Rate Card to Publish in your RFP and Contract

Outcome	Metric	Price Per Outcome	Outcome Payment Cap
Outcome 1	Metric 1	\$0	\$0
Outcome 2	Metric 2	\$0	\$0
Outcome 3	Metric 3	\$0	\$0
Outcome 4	Metric 4	\$0	\$0
Outcome 5	Metric 5	\$0	\$0
Base Payment			
Base Payment	Paid on Services Delivered		\$0
Total:		\$0	\$0

Exemplar Contract



Resources

- [Standard of Excellence for Outcome-Based Contracting: High-Dosage Tutoring](#)
- [Example Language to Include in OBCs document](#)
- [Rate Card Calculator](#)
- [Rate Card Calculator Inputs](#)
- [OBC Template](#)
- [OBC Template with Annotations](#)

Please reach out to tutoring@la.gov with questions.

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